

Arkansas Insurance Department

Mike Beebe
Governor



Julie Benafield Bowman
Commissioner

NEWS RELEASE

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Directive Issued on Occupancy Requirements for Deployed Armed Services Personnel

LITTLE ROCK, ARKANSAS (July 24, 2007) —State Insurance Commissioner Julie Benafield Bowman has issued a Directive to all property and casualty carriers using occupancy requirements in their underwriting standards. Directive 1-2007 advises these carriers of a requirement contained in Directive 1A-2004 which states, “Insurers should not cancel or non-renew any property and casualty insurance policy solely because the policyholder (a) has attained the age of 65 or older; (b) is physically impaired...or (c) is a member on active duty in the Armed Forces.”

As many homeowner and personal property policies contain exclusions for vacant or unoccupied property, the potential exists for military personnel to be penalized in the underwriting or claims process for situations entirely beyond their control. Bowman said, “I want to make it clear the Arkansas Insurance Department will interpret a cancellation or refusal to underwrite property insurance for the dwelling of an insured in the Armed Services due to a lack of occupancy as a violation of paragraph 6 of Directive 1A-2004, if the insured is deployed outside of Arkansas due to military service.”

Directive 1-2007 puts forth the Department’s expectation that underwriting or rating requirements related to occupancy be waived for those in the Armed Services who are deployed outside the state due to military services. “It is imperative these men and women who have

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risked their lives in service to our country not be penalized for their service,” Commissioner Bowman said. Directive 1-2007 may be viewed in its entirety at www.insurance.arkansas.gov .

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